

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

BRUCE JOHNSON, EDWARD)	
McCARTHY, WILLIAM RINN III, and)	
DOUGLAS WILSON,)	Case No.: 08-C-3164
)	
Plaintiffs)	Hon. Robert M. Dow, Jr.
)	Presiding Magistrate Judge Schenkier
v.)	
)	
RICHARD J. LEWIS, III.)	
)	
Defendant.)	

INITIAL STATUS REPORT

As provided in the Court's July 8, 2008 Order, Plaintiffs Bruce Johnson, Edward McCarthy, William Rinn III, and Douglas Wilson submit the following Initial Status Report addressing the matters raised in the Court's Standing Order Requiring Initial Status Report for Cases Filed On or After 12/1/07.

Plaintiffs filed their single-count Complaint on June 2, 2008, seeking recovery from Defendant on a promissory note of more than \$650,000. After numerous unsuccessful attempts, Defendant was served on July 16, 2008, making his response to the Complaint due on August 5, 2008. Plaintiffs provided written notice of the Court's July 8, 2008 Order setting the initial status conference to Defendant at his last known address. To date, Plaintiffs have received no response from Defendant. In the event that Defendant fails to respond to the Complaint, Plaintiffs are prepared to swiftly move for entry of default and default judgment.

A. Attorneys of Record.

Michael L. Molinaro and Bair R. Zanzig of the law firm Loeb & Loeb represent the Plaintiffs, and are expected to try the case, with Mr. Molinaro acting as lead counsel.

No appearances have been filed on Defendant's behalf.

B. Basis for Federal Jurisdiction.

This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §1332(a)(1) as complete diversity exists between the parties and the amount in controversy exceeds \$75,000, exclusive of interest and costs. Specifically, Plaintiffs are all citizen's of, and domiciled in, the State of Illinois. Defendant, is a citizen of, and domiciled in, the State of California. Plaintiffs claim that Defendants owe them in excess of \$650,000.

C. Nature of Claims.

Plaintiff's assert a single count for breach of contract arising out of Defendant's failure to pay amounts due under a promissory note.

D. Parties that Have Not Been Served.

Plaintiffs served Defendant on July 16, 2008. There is no other party who has not been served.

E. Principal Legal Issue.

Plaintiffs assert a straight-forward breach of contract claim for Defendant's failure to pay under a promissory note. Defendant has until August 5, 2008 to respond to the Complaint. To date, however, Defendants have not asserted any defenses, formally or informally to Plaintiff's claims. Accordingly, Plaintiffs are not aware of any legal issues in dispute.

F. Principal Factual Issue.

Again, in the absence of any response from Defendants (either formally or informally), Plaintiffs are not aware of any facts in dispute.

G. Jury Trial.

Plaintiffs do not demand a jury trial.

H. Discovery Status.

In Defendant's absence, no discovery has taken place.

I. Trial Schedule.

Given the straightforward, single-count Complaint by Plaintiffs, Plaintiffs anticipate that they could be ready for trial shortly after conducting some relatively brief discovery regarding any defenses that Defendant might raise. As such, Plaintiffs believe the parties could be ready for trial as early as six months (*i.e.* approximately February 1, 2009). Plaintiffs do not anticipate needing a trial longer than 1 day, subject to Defendant's defenses and any counterclaim that Defendant might assert.

J. Consent to Proceeding Before a Magistrate Judge.

Given the straight-forward issues raised by Plaintiffs, Plaintiffs believe that this matter could be more efficiently resolve by the Court, rather than proceeding before a Magistrate Judge.

K. Settlement Discussions.

In the absence of any response from the Defendant, the parties have conducted no settlement discussions.

L. Settlement Conference.

While Plaintiffs are amenable to a settlement conference at the appropriate time, in the absence of any response to date from Defendant, no settlement conference is possible at present.

Dated: July 31, 2008

Respectfully submitted,

BRUCE JOHNSON, EDWARD
MCCARTHY, WILLIAM RINN, III, AND
DOUGLAS WILSON

By: /s/ Blair R. Zanzig

One of Their Attorneys

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*Counsel for Plaintiffs Bruce Johnson, Edward
McCarthy, William Rinn III, and Douglas
Wilson.*

CERTIFICATE OF SERVICE

I hereby certify that on this 31st day of July 2008, a copy of the foregoing Joint Status Report was served on the following via United States mail, first-class, postage prepaid:

Mr. Richard J. Lewis III
4400 Fair Oaks Blvd.
Sacramento, CA 95864-5334

By: /s/ Blair R. Zanzig